REMARKS

Examiner Kelly L. Jerabek is thanked for the thorough examination and search of the subject Patent Application.

All Claims are believed to be in condition for Allowance, and that is so requested.

Reconsideration of the rejection of claims **1, 5-8, 10-13, 26** under 35 U.S.C. 102(e) as being anticipated by Narayanaswami et al (US2003/0011684) is requested, based on following remarks:

The amended Claim 1 of the claimed invention teaches:

1. (currently amended) A method of embedding camera information and image capture related information in a digital form of an image, comprising:

receiving information on a first static camera characteristic suitable to enhance image reproduction;

receiving camera setting information related to a first captured digitized image; generating an encryption key based at least in part on the first static camera characteristic;

embedding a watermark in said first captured digitized image, wherein the watermark contains at least a portion of the information on the first static characteristic and at least a portion of the camera setting information related to said first captured digitized image; and

encrypting the watermark using the encryption key.

Re claim 1, the claimed invention is different from the invention of Narayanaswami et al because Narayanaswami et al do not disclose

"receiving information on a first static camera characteristic suitable to enhance image reproduction"

as disclosed in amended claim 1 of the claimed invention. Narayanaswami et al. do not disclose "receiving information on a first static camera characteristic suitable to enhance image reproduction" as the amended claimed invention does.

Narayanaswami et al teach (page 3, paragraph 35):

"[0035] In addition, a flux gate magnetometer (FGM) 130 of any conventional type is operatively connected to the CPU 102 for measuring the **orientation** of the principal axis of the camera 100 (in 3 dimensions). For instance, the FGM 130 provides an "image mode" parameter to indicate whether the camera 100 is in a portrait mode (vertical dimension is larger) or landscape mode (horizontal dimension is larger) mode. Alternatively, the camera 100 may include either a conventional gyroscope or compass (not shown) in lieu of the FGM 130 for determining the **orientation** of the camera 100."

It is obvious that in regard of the teachings of Narayanaswami et al. the orientation of the principal axis of a camera measured by a flux gate magnetometer and providing e.g. an "image mode" parameter indicating whether the camera is in a portrait mode or landscape mode is not a static camera characteristic suitable to enhance image reproduction. The result of this kind of measurement can be different for every image taken. The conclusion that this kind of measurement implies that the image sensor is rectangular is speculative. The word "rectangular" has not being used in the disclosure of Narayanaswami et al. at all. As shown above Narayanaswami et al. describe landscape mode as "horizontal dimension is larger" and portrait mode as "vertical dimension is larger". The shape of the image sensor could also be elliptical, quadratic,

round or of another shape. Digital images have often the problem of "blurring" at the boundaries of the image. This can be solved by interpolating pixels located close at the boundary with pixels beyond of the boundary. This means that more pixels can potentially be used than actually shown on the final image.

Applicant believes that the differentiation between "landscape mode" and "portrait mode" as disclosed by Narayanaswami et al. is not "a first static camera characteristic suitable to enhance image reproduction" as disclosed by the claimed invention

Applicant believes Claim 1 of the claimed invention to be patentable because of the differences between the claimed invention and the disclosure of Narayanaswami et al shown above.

Claims **5-7** are dependent claims upon base claim **1** which is believed to be patentable according the arguments above.

The amended Claim 8 of the claimed invention teaches:

- 8. (currently amended) A digital camera system, comprising: an imager;
 - a first static camera characteristic associated with the imager <u>in regard of</u> enhancing image reproduction;
 - a first variable camera setting;
 - a watermark generator used to embed in the form of a watermark at least one of said first static camera characteristic and said first variable camera setting information in an image captured by the camera; and
 - a key generator configured to generate an encryption key used to encrypt the watermark.

The same arguments apply for claim 8 as for claim 1 discussed above. Re claim 8 the claimed invention is different from the invention of Narayanaswami et al. because Narayanaswami et al. do not disclose

"a first static camera characteristic associated with the imager in regard of enhancing image reproduction"

as disclosed in amended claim 8 of the claimed invention. As outlined above in regard of claim 1 Narayanaswami et al do not disclose "a first static camera characteristic associated with the imager in regard of enhancing image reproduction" as the claimed invention does.

Therefore Applicant believes Claim 8 of the claimed invention to be patentable because of the differences between the claimed invention and the disclosure of Narayanaswami et al. shown above.

Claim **10** is a dependent claims upon base claim **8** which is believed to be patentable according the arguments above.

Claims **11-13** are dependent claims upon base claim **8** which is believed to be patentable according the arguments above.

The amended Claim **26** of the claimed invention teaches:

27.(currently amended) A method of including camera information and image capture related information in association with a digital form of an image, comprising: capturing an image: digitizing the image;

receiving information on a first static camera characteristic <u>suitable to</u> enhance image reproduction;

inserting in a data set associated with the digitized image at least a portion of the information on the first static characteristic; and transmitting the digitized image and the data set to an image processor..

In regard of claim 26 the same arguments apply as in the discussion of claim 1 shown above. Narayanaswami et al. do not disclose

"receiving information on a first static camera characteristic suitable to enhance image reproduction"
as disclosed in claim 26 of the claimed invention.

Reconsideration of the rejection of claims **2-4** and **14-16** under 35 U.S.C. 103(a) as being unpatentable over Narayanaswami et al. (US2003/0011684) is requested, based on following remarks:

Claims **2-4** are dependent claims upon base claim **1** which is believed to be patentable according the arguments above.

Claims **14-16** are dependent claims upon base claim **8** which is believed to be patentable according the arguments above.

Reconsideration of the rejection of claim **9** under 35 U.S.C. 103(a) as being unpatentable over Narayanaswami et al. in view of Isnardi (U.S. patent # 6,037,984) is requested, based on the following remarks:

Claim 9 is a dependent claim upon base claim 8 which is believed to be patentable according the arguments above.

Allowance of all Claims is requested.

It is requested that should the Examiner not find that the Claims are now allowable that the Examiner call the undersigned at 845-452-5863 to overcome any problems preventing allowance.

Respectfully submitted,

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